

13. AGENCIES' NOTIFICATION OF RESTRICTIONS ON EMPLOYMENT OF PRESENT AND FORMER EMPLOYEES.

A. NOTICE TO EMPLOYEES. Each Agency shall provide written notice to all finalists for agency employment of the restrictions on employment of present and former employees contained in Ark. Code Ann. §19-11-709, along with the civil and administrative remedies provided in Ark. Code Ann. §19-11-712, which may be imposed upon employees who breach these restrictions, and the criminal penalties provided in Ark. Code Ann. § 19-11-702, upon conviction of a knowing violation of the restrictions. The required **Employee Disclosure Requirements/Restrictions Notice** is located on Pages 27 and 28 of the Regulations.

- (1) The **Employee Disclosure Requirements/Restrictions Notice** shall be considered to be part of the application, and the application will be deemed incomplete until the acknowledgment is signed and submitted by the finalist.
- (2) Agencies must maintain the employee's acknowledgement of receipt of the **Disclosure Requirements/Restrictions Notice** in the employee's personnel file.
- (3) Agencies shall post a copy of Section 14 of the Regulations in a conspicuous place that is accessible to all employees.
- (4) If any agency determines that an employee has violated these Employment Restrictions, such Agency shall immediately report to the Director of the

Department of Finance and Administration.

B. CONTEMPORANEOUS EMPLOYMENT PROHIBITED. No state employee involved in procurement for an Agency is allowed to also be the employee of any party contracting with the state agency by which the employee is employed.

C. RESTRICTIONS ON FORMER EMPLOYEES IN MATTERS CONNECTED WITH THEIR FORMER DUTIES.

- (1) No former employee shall knowingly act as a principal or agent for anyone other than the state in connection with any:

- (a) Judicial or other proceeding, application, request for a ruling, or other determination;
- (b) Contract;
- (c) Claim; or
- (d) Charge or controversy

in which the employee participated personally and substantially through decision, approval, disapproval, recommendation, rendering of advice, investigation, or otherwise while an employee, where the state is a party or has a direct and substantial interest.

- (2) No former employee, within one (1) year after cessation of the former employee's official responsibility in connection with any:

- (a) Judicial or other proceeding, application, request for a ruling, or other determination;
- (b) Contract;
- (c) Claim; or
- (d) Charge or controversy

shall knowingly act as a principal or as an agent for anyone other than the state in matters that were within the former employee's official responsibility, where the state is a party or has a direct or substantial interest.

D. DISQUALIFICATION OF PARTNERS

- (1) No person who is a partner of an employee shall knowingly act as a principal or as an agent for anyone other than the state in connection with any:

- (a) Judicial or other proceeding, application, request for a ruling, or other determination;
- (b) Contract;
- (c) Claim; or
- (d) Charge or controversy

in which the employee either participates personally and substantially through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise or that is the subject of the employee's official responsibility, where the state is a party or has a direct and substantial interest.

- (2) No person who is a partner of a former employee shall knowingly act as a principal or as an agent for anyone other than the state where such former employee is barred under the restrictions on former employees in matters connected with their former duties (see paragraph C).

E. **SELLING TO STATE AFTER TERMINATION OF EMPLOYMENT.** Former employees are prohibited (unless the former employee's last annual salary did not exceed \$10,500) from engaging in selling or attempting to sell commodities or services to the state for one (1) year following the date employment ceased. This prohibition does not preclude a former employee from accepting employment with private industry solely because his employer is a contractor with this state nor does it preclude an employee, a former employee, or a partner of an employee or former employee from filing an action as a taxpayer for alleged violations of Ark. Code Ann. §19-11-701, et seq.

F. **REMEDIES AGAINST EMPLOYEES**

- (1) In addition to existing civil and administrative remedies, the Director of the Department of Finance and Administration may impose, after notice and an opportunity for a hearing, any one (1) or more of the following for breach of the employment restrictions:

- (a) Oral or written warnings or reprimands;
- (b) Forfeiture of pay without suspension;
- (c) Suspension with or without pay for specified periods of time; and
- (d) Termination of employment.

- (2) The value of anything received by an employee in breach of these restrictions shall be recoverable by the State.

G. **CRIMINAL PENALTIES.** Pursuant to Ark. Code Ann. § 19-11-702, any employee or non-employee who knowingly violates these employment restrictions shall be guilty of a felony and upon conviction shall be fined in any sum not to exceed ten thousand dollars (\$10,000) or shall be imprisoned not less than one (1) nor more than five (5) years, or shall be punished by both.

14. AGENCIES AFFECTED; VOLUNTARY DISCLOSURE.

A. **AFFECTED AGENCIES.** The provisions of Executive Order 98-04, and these Regulations, shall apply to all agencies within the control of the Governor.

B. **VOLUNTARY COMPLIANCE ENCOURAGED OF EXEMPT PERSONS AND AGENCIES.** The following persons, agencies, and other entities not subject to the control of the Governor are encouraged to voluntarily comply

with Executive Order 98-04 and these Regulations: Members of the Legislature, any employees of, or positions in the Legislative branch of Arkansas State Government; the Justices of the Supreme Court, Judges of the Court of Appeals, Judges of the Circuit, Chancery or Circuit/Chancery Courts, Judges of the Inferior Courts, or any employee of, or position in the Judicial branch of Arkansas State government; elective officers of the State and any employee of the offices of Lieutenant Governor, Attorney General, Secretary of the State, State Auditor, Land Commissioner, and State Treasurer; members and staff of multi-member boards, commissions or committees that are exempt by law from the provisions of the "Arkansas Purchasing Law," Ark. Code Ann. § 19-11-201 et seq.; and employees of the Arkansas Highway and Transportation Department and the Arkansas Game and Fish Commission.

- C. **PROCEDURE FOR VOLUNTARY COMPLIANCE.** Any person, agency, or other entity desiring to voluntarily comply should contact the Office of State Procurement at P. O. Box 2940, Little Rock, Arkansas 72203, telephone number (501) 324-9316 or via web site at www.state.ar.us/dfa/purchasing/index.html to obtain a copy of these Regulations and to notify the Office of the person's or agency's intent to voluntarily comply.

Disclosure Forms are available in Room 102, 1515 Building, Little Rock, Arkansas or on the DFA HR Intranet at http://www.dfa.state.ar.us/inter_personnel/ Contact Jenette Manno, 501 371-6009 for additional information